

KENYA TEA INDUSTRY PERFORMANCE HIGHLIGHTS FOR JULY 2024

PRODUCTION

Tea production for the month of July, 2024 was lower by 3.87 Million Kgs from 44.69 Million Kgs recorded during the same period of last year to 40.82 Million Kgs. It was also lower compared to 46.16 Million Kgs recorded during the month of June. Decline in production was attributed to low rainfall and generally cool weather conditions experienced in the tea growing regions within the West of Rift Valley and East of Rift Valley, respectively. The month of July marked the peak of the cold season, with areas over the highlands East of the Rift Valley, parts of the highlands West of the Rift Valley, and the Central and South Rift Valley experiencing intermittent cool and cloudy conditions. In the West of Rift Valley, the rainfall amounts recorded was relatively lower compared to the same period of last year especially in Kericho and Bomet, which usually account for the highest production of tea. Tea growing areas of Kericho recorded rainfall of less than 63 mm daily; Bomet less than 30 mm; Nyamira/Kisii 7 to 14 mm while Nandi recorded average precipitation of between 8 to 56 mm. Maximum temperature was low at less than 21°C in most parts of the region with the exception of Nandi, which recorded higher temperatures at an average of 29°C.

Precipitation within the tea growing areas in the East of Rift was slightly lower against the same period of last year and much lower compared to the West of Rift. In the East of Rift, Kiambu recorded an average rainfall of 4 to 29 mm; Muranga/Nyeri/Kirinyaga 7 to 20 mm while Embu/Meru region recorded 3 to 20 mm. The average temperatures within the region was also low and ranged between 13°C to 20°C.

Consequently, production in tea growing areas within the West of Rift Block was significantly lower by 3.58 Million Kgs from 35.13 Million Kgs recorded in July 2023 to 31.55 Million Kgs. The output in the East of Rift Block was however marginally lower by 289,333 Kgs from 9.55 Million Kgs to 9.27 Million Kgs. Within the West of Rift, the most affected producers were the Independent and Estate factories, respectively due

to the shift in Greenleaf deliveries by the smallholder farmers to KTDA factories in a bid to build a high quantity in anticipation of relatively better earnings. Consequently, Independent tea producers who majorly source Greenleaf from small-scale farmers recorded a production decline of 2.62 Million Kgs from 12.32 Million Kgs to 9.70 Million Kgs. Similarly, output from the Estate tea factories was lower by 2.46 Million Kgs from 13.65 Million Kgs to 11.18 Million Kgs. However, the Smallholder tea producers under the Management of KTDA recorded significant increase in production by 1.38 Million Kgs from 18.19 Million Kgs recorded during the corresponding month of 2023 to 19.57 Million Kgs.

Cumulatively up to July, production for the year 2024 was higher by 14.38% (45.76 Million Kgs) from 318.34 Million Kgs recorded during the first seven months of 2023 to 364.10 Million Kgs. Higher production was due to favourable weather recorded during the first four months of the year, with rainfall ranging from near to above the long-term average amounts compared to the trend for the same period over the years.

Table 1: Production by Sub-Sector and Region (July 2024 vis-à-vis July 2023)

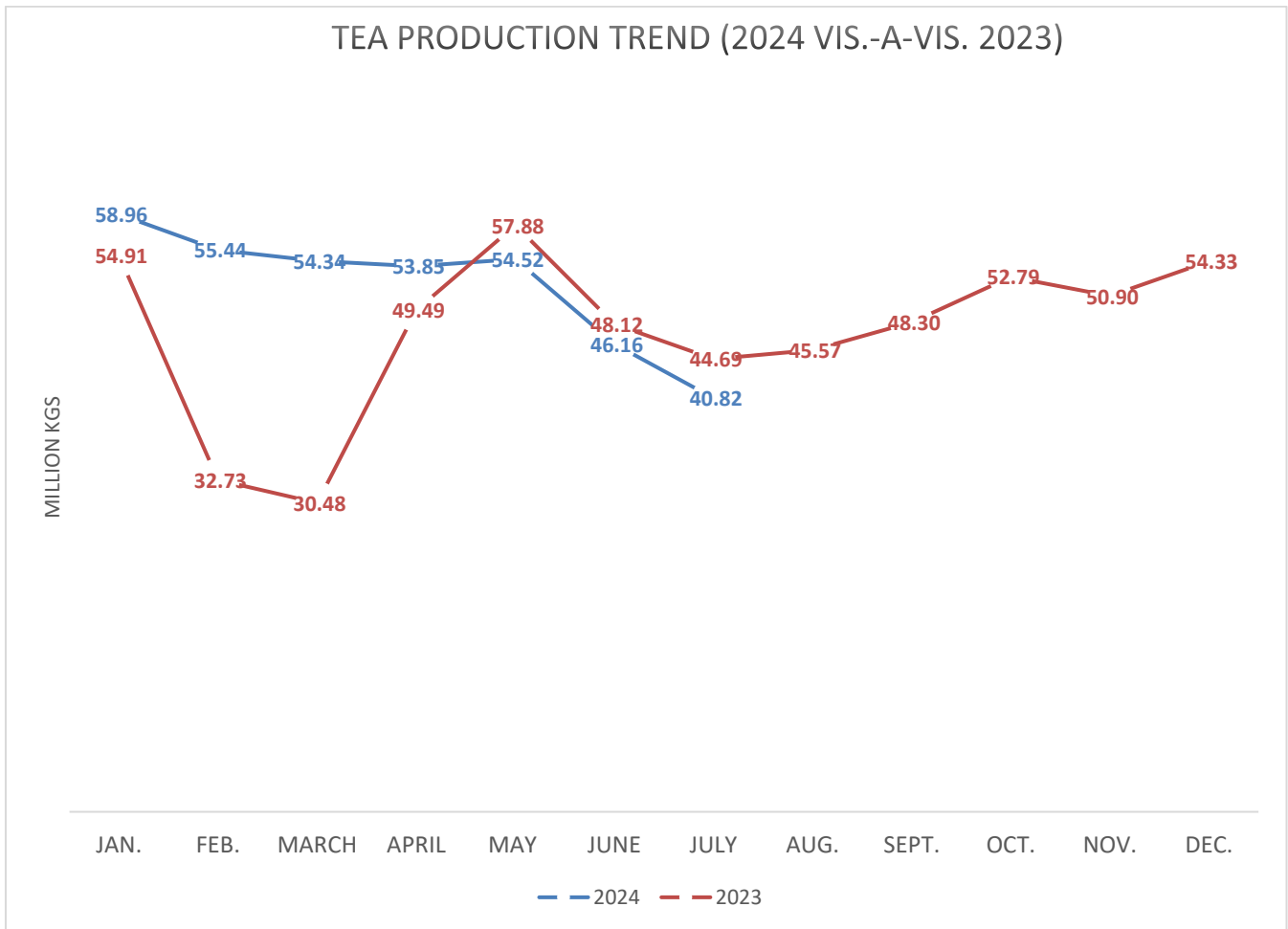
Sector	Block	July-24	July -23	Variance +/-	Var.(%)	Jan- July 2024	Jan- July 2023	Variance +/-	Var.(%)
Estates	West of Rift	10,994,849	13,350,140	- 2,355,291	-17.64%	82,575,501	77,099,407	5,476,094	7.10%
	East of Rift	195,087	307,748	- 112,662	-36.61%	2,197,102	2,079,449	117,653	5.66%
	Total	11,189,935	13,657,888	- 2,467,952	-18.07%	84,772,602	79,178,855	5,593,747	7.06%
Smallholders-KTDA	West of Rift	11,414,115	10,051,975	1,362,140	13.55%	92,227,494	68,468,698	23,758,795	34.70%
	East of Rift	8,162,925	8,141,534	21,391	0.26%	105,177,538	89,085,316	16,092,222	18.06%
	Total	19,577,040	18,193,509	1,383,531	7.60%	197,405,032	157,554,014	39,851,018	25.29%
Independents	West of Rift	8,864,602	11,304,152	- 2,439,550	-21.58%	69,103,548	69,862,817	- 759,268	-1.09%
	East of Rift	835,793	1,016,983	- 181,190	-17.82%	9,804,191	7,896,809	1,907,382	24.15%
	Total	9,700,395	12,321,135	- 2,620,740	-21.27%	78,907,739	77,759,626	1,148,114	1.48%
Nyayo T. Zones	West of Rift	282,243	430,680	- 148,437	-34.47%	2,003,799	2,922,270	- 918,471	- 31.43%
	East of Rift	76,530	93,403	- 16,873	-18.06%	1,019,762	925,289	94,473	10.21%

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	Total	358,773	524,083	- 165,310	-31.54%	3,023,561	3,847,559	- 823,998	- 21.42%
Estates, Smallholder, Independents & Nyayo Tea Zones	West of Rift	31,555,809	35,136,947	- 3,581,137	-10.19%	245,910,342	218,353,192	27,557,150	12.62%
	East of Rift	9,270,335	9,559,668	- 289,333	-3.03%	118,198,592	99,986,862	18,211,730	18.21%
	Grand Total	40,826,144	44,696,615	- 3,870,471	-8.66%	364,108,935	318,340,054	45,768,881	14.38%



During the month of July, the volume of speciality teas produced was 723,170 Kgs, which represented 2% of the total production. Speciality teas were dominated by Orthodox teas at 93% (672,868.60 Kgs) and was largely produced by Plantation and Independents tea factories, respectively. The rest of speciality teas consisted of Green and Purple tea produced by the Cottage tea industries.

TEA SALES

AUCTION

Auction sales volume for Kenya tea during the month of July stood at 34.14 Million Kgs, which was marginally higher compared to 33.37 Million kgs recorded during the corresponding month of last year. The average monthly auction price for Kenya tea was lower at 2.21 USD per Kg against 2.09 USD for the same period of last year. Lower average prices realized was on account of high number of invoices for particular garden marks offered for sale in the reprints catalogue, which fetched discounted prices as compared to similar teas offered in the main catalogue. However, prices of tea followed the quality with “Good” to “Medium” categories across the grades (well sorted and brighter liquors) attracting more competitive bids and considerably higher prices compared to “Lower Medium” and “Plainer” teas, which attracted either less interest and thus discounted prices or no offers and consequently constituted the highest proportion of teas on offer at the auction that were withdrawn. Depending on the quality band, the leaf grades generally attracted relatively higher prices than the dust and secondary grades, respectively.

During the month of July 2024, tea offered for sale by the smallholder tea factories managed by KTDA, whose quality is relatively higher fetched an average price of 2.77 USD per Kg for the main grades, compared to an average price of 2.70 USD in the same period of 2023.

Though there was generally good demand for tea offered at the auction, the prices continued to be impacted negatively by the effects of high supply coupled with global economic shock experienced in most countries due to the Russia-Ukraine crisis.

Table 2: Auction Sales (2024 vis-à-vis 2023)

	2024		2023		Variance.			
	Vol. M. Kgs	Value (USD/KG)	Vol. M. Kgs	Value (USD/KG)	Vol.	%	Value	%
JAN.	42.48	2.19	61.25	2.30	-18.76	-31%	-0.11	-5%
FEB.	39.11	2.23	53.21	2.34	-14.10	-26%	-0.11	-26%
MARCH	42.35	2.15	43.72	2.39	-1.37	-3.1%	-0.23	-10%
APRIL	43.60	2.29	51.75	2.37	-8.15	-16%	-0.08	-3%
MAY	31.05	2.18	30.75	2.21	0.30	1.0%	-0.03	-1.4%
JUNE	28.47	2.14	29.73	2.09	-1.26	-4.2%	0.05	2.76%
JULY	34.14	2.21	33.37	2.09	0.77	2.31%	0.12	5.7%
TOTAL/AVG.	261.20	2.20	303.78	2.26	-42.58	-14%	-0.06	-2.5%

EXPORTS

The total export volume for the month of July 2024 was higher by 56% (18.94 Million Kgs) from 33.80 Million Kgs recorded in the same period of last year to 52.74 Million Kgs. The exports were also higher compared to 40.61 Million Kgs shipped during the month of June 2024. Higher export volume was attributed to more shipment of tea in the traditional and emerging markets. During the month, Kenya tea was shipped to sixty-three (63) export destinations compared to forty-five (45) for the same period of last year. Amongst the export markets, Pakistan maintained the leading export destination for Kenya tea having imported 19 Million Kgs, accounting for 36% of the total export volume.

Egypt, which is the second largest export destination imported 6.78 Million Kgs and was followed by UK (4.94 Million Kgs); UAE (2.59 Million Kgs); Russia (2.36 Million Kgs); Yemen (2.21 Million Kgs); India (1.94 Million Kgs); Saudi Arabia (1.22 Million Kgs); Kazakhstan (1 Million Kgs); and Sudan (0.973 Million Kgs). The top ten export

destinations, majority of which are traditional markets for Kenya tea accounted for 82% of Kenya tea export volume. Most of the traditional and emerging markets recorded higher imports for Kenya tea apart from a few such as Afghanistan; Uzbekistan; Singapore; and Mauritius. Amongst the traditional markets, significant increase was recorded in Egypt, UK, Russia and Pakistan. High increase was also recorded in the non-traditional markets such as India, China, Saudi Arabia, Iran, Kazakhstan, Nigeria, Sri Lanka and Poland. Within the emerging markets, significant increase was recorded in Malaysia, Ukraine, Germany and Chad. High and consistent growth in tea imports from Kenya to Chad is due to its direct importation following the change of transshipment route to Nigeria and Cameroon from Sudan due to internal conflict. Just like Chad, South Sudan is also rapidly growing as an emerging market for Kenya tea. During the month, there were also shipments to seasonal markets such as Eritrea; Central African Republic; Australia; Kyrgyzstan; Myanmar; Morocco; Mali; Mexico; Brazil; Niger; DRC Congo; Italy; Gambia; Senegal; Togo; Iceland; Malta; Papua New Guinea; and Albania.

Since December 2023, attacks on vessels by Yemen Terrorist group along the Red Sea has continued to have an impact on global trade with Shipping lines diverting vessels around Africa's Cape of Good Hope as an alternative shipment route. For the exports of tea, this has led to longer voyage times and higher freight rates from the Port of Mombasa especially to the European and North African markets.

During the month of July, value added tea exports amounted to 1,535,604 Kgs, which represented 3% of the total exported volume. The exports in value added form were shipped to twenty-nine (29) market destinations which included United Kingdom; Sudan; Oman; United States; Somalia; Yemen; Burkina Faso; Malaysia; Singapore; Ireland; Mali; Mexico; Brazil; South Sudan; India; DRC Congo; Taiwan; Gabon; Gambia; Niger; Senegal; Italy; Iceland; Papua New Guinea; Poland; United Arab Emirates; Vietnam; South Africa; and Egypt.

Out of the total exports of value-added tea, United Kingdom accounted for the highest volume at 36% and was followed by Sudan at 14%. Oman accounted for 11% while USA and Somalia accounted for 8% and 6%, respectively. Other significant importers of value-added teas included Burkina Faso; Malaysia; Singapore; Ireland; and Mali.

LOCAL TEA SALES

Local tea sales for July 2024 was lower at 2.74 Million Kgs against 3.09 Million Kgs in July 2023 and the corresponding month of 2022, respectively. However, cumulative tea sales for the first seven months of 2024 was much higher at 21.21 Million Kgs against 20.49 Million Kgs for the same period of 2023 and 18.14 Million Kgs for the period January to July 2022.

Table 3: Local Sales (Jan.- July 2024 compared to Jan.- July 2023)

	2024 KGS	2023 KGS	VARIANCE	% VARIANCE
January	3.30	3.02	0.28	9.3%
February	2.83	2.92	-0.09	-3.1%
March	2.94	2.97	-0.03	-1.0%
April	3.22	2.56	0.66	25.8%
May	3.32	3.08	0.24	7.8%
June	2.86	2.85	0.01	0.35%
July	2.74	3.09	-0.35	-11.3%
TOTAL	21.21	20.49	0.72	3.5%

14TH OCTOBER, 2024

WILLY K. MUTAI
CHIEF EXECUTIVE OFFICER
TEA BOARD OF KENYA



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Appendix 1: Kenya Tea Exports by Destination (July 2024 vis-à-vis July 2023)

DESTINATION	2024- QUANTITY KGS	2023 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	19,008,355	17,740,885	1,267,470	7%
EGYPT	6,788,112	2,723,153	4,064,959	149%
UK	4,948,063	1,792,294	3,155,769	176%
UAE	2,591,502	1,844,955	746,547	40%
RUSSIA	2,366,826	930,140	1,436,686	154%
YEMEN	2,215,641	1,970,320	245,321	12%
INDIA	1,943,438	261,504	1,681,934	643%
SAUDI ARABIA	1,229,682	530,535	699,147	132%
KAZAKHSTAN	1,009,474	457,621	551,853	121%
SUDAN	973,593	775,965	197,628	25%
CHINA	970,250	250,372	719,878	288%
POLAND	934,463	549,340	385,123	70%
IRAN	889,597	277,185	612,412	221%
SOMALIA	685,476	255,120	430,356	169%
SWITZERLAND	645,514	293,387	352,127	120%
NIGERIA	529,025		529,025	
SRI LANKA	472,834		472,834	
MALAYSIA	434,884	172,128	262,756	153%
IRELAND	407,356	398,120	9,236	2%
OMAN	406,327	86,556	319,771	369%
UKRAINE	339,566	105,916	233,650	221%
GERMANY	323,912	126,086	197,826	157%
AFGHANISTAN	314,436	873,738	-559,302	-64%
NETHERLANDS	307,555	111,274	196,281	176%
USA	292,159	199,968	92,191	46%
CHAD	270,242	48,480	221,762	457%
JAPAN	258,680	201,900	56,780	28%
TURKEY	167,440	52,000	115,440	222%
ERITREA	126,500		126,500	
CANADA	104,947	91,890	13,057	14%
UZBEKISTAN	76,084	124,308	-48,224	-39%
QATAR	72,969		72,969	
IRAQ	68,393	28,680	39,713	138%
SOUTH SUDAN	66,609		66,609	
CENTRAL AFRICAN REPUBLIC	48,936		48,936	
AUSTRALIA	45,120		45,120	



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HONG KONG	39,758	34,020	5,738	17%
KYRGYZSTAN	39,052		39,052	
SINGAPORE	37,698	43,000	-5,302	-12%
BURKINA FASO	36,218	6,120	30,098	492%
TAIWAN	32,016	30,000	2,016	7%
DJIBOUTI	30,035	16,000	14,035	88%
MYANMAR	26,075		26,075	
MAURITIUS	25,800	65,020	-39,220	-60%
MOROCCO	24,000		24,000	
MALI	19,311		19,311	
MEXICO	18,000		18,000	
SPAIN	16,800	30,010	-13,210	-44%
BRAZIL	11,451		11,451	
NIGER	10,348		10,348	
CONGO	10,173		10,173	
ITALY	5,400		5,400	
GAMBIA	5,174		5,174	
SENEGAL	5,174		5,174	
TOGO	5,174		5,174	
ICELAND	4,599		4,599	
MALTA	3,360		3,360	
PAPUA NEW GUINEA	2,612		2,612	
ALBANIA	2,060		2,060	
VIET NAM	1,524	22,748	-21,224	-93%
SOUTH AFRICA	1,500	101,717	-100,217	-99%
NORWAY	48		48	
ZIMBABWE	40		40	
BAHRAIN		8,078	-8,078	-100%
GHANA		38,756	-38,756	-100%
INDONESIA		52,456	-52,456	-100%
ISRAEL		26,127	-26,127	-100%
JORDAN		18,200	-18,200	-100%
TANZANIA		20,616	-20,616	-100%
TURKMENISTAN		20,100	-20,100	-100%
TOTAL	52,747,360	33,806,789	18,940,571	56%

Appendix 2: Kenya Tea Exports by Destination (Jan.- July 2024 vis-à-vis Jan.- July 2023)

DESTINATION	2024- QUANTITY KGS	2023- QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	122,026,251	100,685,684	21,340,567	21.20%
EGYPT	50,566,197	38,446,649	12,119,548	31.52%
UK	35,617,307	26,696,483	8,920,824	33.42%
UAE	18,772,633	16,286,452	2,486,181	15.27%
RUSSIA	18,244,186	10,847,398	7,396,788	68.19%
SAUDI ARABIA	11,837,702	4,729,682	7,108,020	150.29%
YEMEN	11,311,622	13,859,216	(2,547,594)	-18.38%
IRAN	8,583,355	8,458,771	124,584	1.47%
INDIA	6,558,541	2,101,229	4,457,312	212.13%
CHINA	6,345,674	1,278,492	5,067,182	396.34%
POLAND	5,925,017	3,833,522	2,091,495	54.56%
SUDAN	5,698,898	5,174,934	523,964	10.13%
CHAD	5,610,960	93,099	5,517,861	5926.87%
KAZAKHSTAN	4,805,615	3,108,369	1,697,246	54.60%
IRELAND	4,362,399		4,362,399	
SOMALIA	4,139,888	1,496,814	2,643,074	176.58%
SWITZERLAND	3,593,502	1,807,774	1,785,728	98.78%
NIGERIA	2,645,932	1,412,657	1,233,275	87.30%
UKRAINE	2,519,288	1,194,007	1,325,281	110.99%
JORDAN	2,472,124	4,009,470	(1,537,346)	-38.34%
AFGHANISTAN	2,346,760	6,937,770	(4,591,010)	-66.17%
JAPAN	2,127,032	983,455	1,143,577	116.28%
MALAYSIA	2,118,849	1,612,122	506,727	31.43%
SRI LANKA	1,950,796	634,559	1,316,237	207.43%
USA	1,917,889	1,159,381	758,508	65.42%
OMAN	1,702,829	965,309	737,520	76.40%
NETHERLANDS	1,590,843	1,239,220	351,623	28.37%
GERMANY	1,231,824	727,200	504,624	69.39%
SOUTH AFRICA	1,198,318	884,086	314,232	35.54%
TURKEY	879,407	742,238	137,169	18.48%
SOUTH SUDAN	789,628		789,628	
QATAR	680,036	755,113	(75,077)	-9.94%
CANADA	545,993	727,461	(181,468)	-24.95%
TAIWAN	369,358	332,109	37,249	11.22%
UZBEKISTAN	308,182	371,516	(63,334)	-17.05%
DJIBOUTI	286,300	218,545	67,755	31.00%
KYRGYZSTAN	256,872		256,872	
MAURITIUS	251,900	312,674	(60,774)	-19.44%



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AUSTRALIA	241,445	3,170	238,275	7516.36%
BURKINA FASO	239,302	160,297	79,005	49.29%
HONG KONG	225,306	149,166	76,140	51.04%
COTE D'IVOIRE	204,388	111,333	93,055	83.58%
VIET NAM	198,149	68,209	129,940	190.50%
CENTRAL AFRICAN REPUBLIC	193,124		193,124	
BANGLADESH	191,510	340,979	(149,469)	-43.84%
EPZ	174,342	2,015	172,327	8554.25%
IRAQ	170,171	61,749	108,422	175.59%
SINGAPORE	166,405	168,022	(1,617)	-0.96%
GHANA	163,864	124,999	38,865	31.09%
MEXICO	81,000	30,221	50,779	168.03%
ETHIOPIA	79,828		79,828	
MALI	79,344	54,379	24,965	45.91%
ZAMBIA	74,520	34,234	40,286	117.68%
PERU	74,400	398,595	(324,195)	-81.33%
ISRAEL	68,080	129,308	(61,228)	-47.35%
SPAIN	61,365	333,257	(271,892)	-81.59%
AZERBAIJAN	56,360		56,360	
ERITREA	56,047	179,148	(123,101)	-68.71%
MYANMAR	52,264	229,125	(176,861)	-77.19%
NEW ZEALAND	50,920	33,369	17,551	52.60%
MOROCCO	50,400		50,400	
GUINEA	46,566	6,708	39,858	594.16%
NIGER	46,566	26,570	19,996	75.26%
INDONESIA	42,680	182,465	(139,785)	-76.61%
GEORGIA	42,050		42,050	
TANZANIA	28,572	73,749	(45,177)	-61.26%
MALTA	27,018		27,018	
BRAZIL	26,234	25,139	1,095	4.36%
BAHRAIN	25,816	20,729	5,087	24.54%
ANGOLA	25,380		25,380	
ROMANIA	25,280	178,561	(153,281)	-85.84%
CONGO	23,111		23,111	
SENEGAL	20,696	31,714	(11,018)	-34.74%
ITALY	19,200	24,693	(5,493)	-22.25%
TAJIKISTAN	19,040		19,040	
MOZAMBIQUE	10,636		10,636	
MAURITANIA	10,348		10,348	
CYPRUS	10,286		10,286	
GABON	5,174		5,174	
GAMBIA	5,174		5,174	
TOGO	5,174		5,174	
ICELAND	4,599	3,793,267	(3,788,668)	-99.88%



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PAPUA NEW GUINEA	2,612		2,612	
MALAWI	2,360		2,360	
ALBANIA	2,060		2,060	
KUWAIT	2,038		2,038	
SWAZILAND	778	205,496	(204,718)	-99.62%
FRANCE	300	744	(444)	-59.70%
CZECH REPUBLIC	200	297	(97)	-32.74%
NORWAY	48		48	
ZIMBABWE	40		40	
BENIN		6,708	(6,708)	-100.00%
CAMEROON		80,603	(80,603)	-100.00%
CHILE		48,135	(48,135)	-100.00%
TURKMENISTAN		20,100	(20,100)	-100.00%
TOTAL	355,622,477	271,460,710	84,161,767	31.00%

